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UNCLAS SECTION 01 OF 06 SEOUL 000952

SIPDIS

E.O. 12958: N/A

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SUBJECT: SEOUL - PRESS BULLETIN; June 16, 2009

TOP HEADLINES

Chosun Ilbo, JoongAng Ilbo, Hankook Ilbo, Hankyoreh Shinmun, Segye
Ilbo, Seoul Shinmun, All TVs
Korean Woman Reportedly Killed in Yemen, Along with Eight Other
Kidnapped Foreigners

Dong-a Ilbo
ROK's Mega-city Regions Lag
behind Those of Japan and China
in Core Areas

DOMESTIC DEVELOPMENTS

President Lee Myung-bak arrived in Washington yesterday for a June
16 summit with President Barack Obama on measures to deal with North
Korea's security threat and to enhance the bilateral alliance.
President Lee will also meet with key U.S. officials, including
Secretary of State Hillary Clinton, Secretary of Defense Robert
Gates and Treasury Secretary Timothy F. Geithner. (All)

Furthermore, President Lee will stress the importance of ratifying
the KORUS FTA during his meeting with USTR Ronald Kirk. (Hankook)

According to the foreign media, all nine foreigners, including an
ROK female aid worker, who were kidnapped in the volatile
mountainous area of northern Yemen on June 12, have been found dead
in an area of Yemen known as a hideout for al-Qaida. (All)

According to the Ministry of Knowledge Economy, the ROK and the U.S.
will work together to develop "smart grids," modern electricity
networks, as part of mutual efforts to save energy and to create a
new growth engine. (JoongAng, Segye, Seoul)

INTERNATIONAL NEWS

According to an ROKG source, ROK and U.S. intelligence authorities
are watching for signs of another nuclear test by North Korea,
having spotted constant moves of personnel and vehicles at

Punggye-ri in Kilju-gun, North Hamgyong Province, where it conducted the first and second nuclear tests. (Chosun)

The president of the Korean Agency for Defense Development (ADD) yesterday raised the possibility that North Korea may have succeeded in miniaturizing a nuclear warhead to mount on a missile. (Chosun, Hankyoreh, Segye, Seoul)

North Korea held a massive rally yesterday to condemn the UN Security Council's latest resolution against the North's nuclear test. During the rally, the North made it clear that its nuclear weapons can be used for an attack. (Dong-a)

MEDIA ANALYSIS

-N. Korea

Conservative Chosun Ilbo gave inside-page play to a report citing an ROKG source that North Korea has finished preparatory work at a missile launch pad in Tongchangri, North Pyongan Province, where a long-range missile has been transported. The ROKG source was quoted: "The launch, however, does not seem to be imminent because no radar has been set up and no missile has been installed at the launch pad."

The Chosun report went on to say that ROK and U.S. intelligence

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authorities are watching for signs of another nuclear test by North Korea, having spotted constant moves of personnel and vehicles at Punggye-ri in Kilju-gun, North Hamgyong Province, where it conducted the first and second nuclear tests.

The president of the Korean Agency for Defense Development (ADD) was cited by conservative Chosun and Segye Ilbo and moderate Seoul Shinmun as raising the possibility that North Korea may have succeeded in miniaturizing a nuclear warhead to mount on a missile.

In a commentary, right-of-center JoongAng Ilbo observed: "There are two ways to induce China to participate in the sanctions on North Korea. First, the Obama Administration must show its determination to get North Korea to abandon its nuclear ambitions. If the U.S. does not act, China only observes passively. Furthermore, it is important to calm China's worries over the future of the Korean Peninsula. That is a task for the ROK. Open and intimate dialogue with China is imperative right now."

Moderate Hankook Ilbo wrote in a commentary: "This Iranian election result should remind Obama how difficult it is to bring change to Iran, how strong anti-U.S. sentiment is in Iran, and how much difficulty the U.S. faces in conducting diplomacy toward Iran. ... Professor Moon Jung-in of Yonsei University argues that Obama should show North Korea the same political gesture of goodwill and trust that he showed to the Islamic world. There are various ways to deal with North Korea, but if Obama's gesture can serve to resolve the complicated North Korean issue, he has no reason not to show Pyongyang the same gesture that he did to Islam."

ROK-U.S. Summit in Washington

Most ROK media gave attention to today's summit in Washington between Presidents Lee Myung-bak and Barack Obama on measures to deal with North Korea's security threat and to enhance the bilateral alliance. President Lee will also meet with key U.S. officials, including Secretary of State Hillary Clinton, Secretary of Defense Robert Gates and Treasury Secretary Timothy F. Geithner, according to media reports.

Right-of-center JoongAng Ilbo wrote in the headline: "The Two Leaders to Meet for Two Hours... The Meeting Comes at the Most Serious Time"

Moderate Hankook Ilbo editorialized: "The top priority (for the upcoming summit) must be to come up with a joint response to the

North Korean issue. The two leaders should devise a new framework to deter North Korea's provocations and threats and to resolve the North Korean issue peacefully. ... Before his departure for the U.S., President Lee raised the need to hold the five-party talks excluding North Korea ... apparently in an effort to restore the ROK's leading role (in dealing with North Korea.) This is a desirable move. If the five-party talks to pressure North Korea are to be successful, China's participation is indispensable. Regrettably, however, it seems that President Lee did not coordinate this matter with China in advance."

Iran Election Aftermath

Newspapers carried the following headlines: "Clashes Continue for Third Consecutive Day between Supporters of Defeated Pro-reform Presidential Candidate and Riot Police" (right-of-center JoongAng Ilbo); Iran Supreme Leader Orders Investigation into Allegations of Election Fraud" (conservative Dong-a Ilbo, left-leaning Hankyoreh Shinmun, conservative Segye Ilbo, moderate Seoul Shinmun); and "Demonstrations Intensify against Re-election of President Mahmoud Ahmadinejad... Iranian Political Situation in Chaos" (moderate Hankook Ilbo)

OPINIONS/EDITORIALS

OBAMA'S FRUSTRATION AND NORTH KOREA POLICY
(Hankook Ilbo, June 16, 2009, Page 34)

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By Senior International News Editor Park Kwang-hee

In the Iranian presidential elections, current President Mahmoud Ahmadinejad, a conservative hardliner, won a victory. Although there are allegations of electoral fraud, it seems to be difficult to expect the election outcome to be reversed. Like it or not, the elections are over, and President Ahmadinejad won.

Many people were pleased with the result, but many others were disappointed by it. The most disappointed person may be reformist candidate Mir Hossein Mousavi. Since he personally saw, during the campaign, the desire for reform that many young people and women had, we can easily guess how disappointed and frustrated he is. Although the public sentiment on the streets was in his favor, (the election) strongly united conservatives in the end, which was unfortunate for him.

Western media were also deeply disappointed with the result. At the beginning of the election campaign, they forecast that Ahmadinejad would run far ahead of other candidates, but as time went by, they reported that Mousavi was catching up, and in the final days of the campaign, they predicted that Mousavi might win a come-from-behind victory. Western media did not simply provide a report of the ongoing election but, on many occasions, also conveyed the Western society's expectations that the reformist candidate would be elected.

The most frustrated and disappointed person is probably U.S. President Barack Obama. He desperately wanted change in Iran. In his inaugural speech, he sent Iran a message of conciliation, and on the Iranian New Year's Day in March, he proposed an end to hostile relations (with Iran) and a new beginning. In April, he announced that he would attend international talks to resolve the Iranian nuclear issue. And finally, in his June 4 speech at Cairo University in Egypt, he declared that the cycle of suspicion and discord must end and called for a new beginning. Although some hardliners questioned his true intention, his speech created a sensation and helped a pro-Western group win the general elections in Lebanon. While giving the speech that day, Obama must have been mindful of the Iranian presidential election.

Ahmadinejad, who won the presidential election in Iran, is likely to maintain frosty relations with the U.S. for the time being in order to curry the favor of the conservatives who supported him. Many observers say that it will be difficult to restore U.S.-Iran

relations for a while. Ahmadinejad also signaled (that it would be difficult to improve relations) by saying in his victory press conference, "There will be no nuclear policy change," and proposing a face-to-face debate with Obama about the nuclear issue. This Iranian election result should remind Obama how difficult it is to bring change to Iran, how strong anti-U.S. sentiment is in Iran, and how much difficulty the U.S. faces in conducting diplomacy toward Iran.

Unlike the case of Iran, Obama didn't make any suggestion or request to North Korea. He did not put forth any clear policy toward the North. This represents a big difference from his efforts toward Iran and the Islamic world. This should have been a priority for the U.S., but five months have already passed since Obama's inauguration. It is not a short period of time. North Korea, which was not able to bear such neglect, drew world attention by launching rockets and conducting a nuclear test, and the U.S. took a hard-line stance in response while rebuking and imposing sanctions against North Korea.

Professor Moon Jung-il of Yonsei University argues that Obama should show North Korea the same political gesture of goodwill and trust that he showed to the Islamic world. There are various ways to deal with North Korea, but if Obama's gesture can serve to resolve the complicated North Korean issue, he has no reason not to show Pyongyang the same gesture that he did to Islam. Frustration should come after that.

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CHINA'S NUCLEAR HEADACHE
(JoongAng Ilbo, June 16, 2009, page 41)

By Yun Deok-min, Professor at the Institute of Foreign Affairs and National Security.

China does not want North Korea to have a nuclear arsenal but at the same time it doesn't want North Korea's regime to collapse, either.

The United Nations Security Council unanimously adopted Resolution 1874 recently in response to North Korea's second nuclear test.

The resolution contains the strongest possible measures, bar military action, calling for more stringent inspections of North Korea's cargo vessels on the high seas. In addition, the resolution bans North Korea's imports and exports of weapons and financial transactions related to weapons of mass destruction.

Some people estimate that the resolution will have an immediate impact, causing \$4 billion in losses to North Korea's economy. That would be enough to seriously hamper the communist country, considering the scale of its economy. It's no surprise, then, that North Korea is protesting.

But we can't escape the nagging concern that the new resolution will just be another smoke screen, just like other resolutions against North Korea in the past.

The resolution allows UN member states to decide on their own whether to implement the actions, so it is absolutely vital that those countries in the Northeast Asia region fully comply and actively take part.

If there is no control at the borders with North Korea, the inspections of cargo and the ban on imports and exports of weapons will have no teeth.

Experts agree that China's role is essential. The country accounts for 74 percent of North Korea's total trade. Without its help, it will be virtually impossible for the resolution to take effect.

But before blaming others, we need to look at our own problems.

The ROK is not free from responsibility for North Korea's recent

provocative.

North Korea's two nuclear tests cost \$800 million to \$900 million and long-range missile launches are estimated to have cost \$500 million to \$600 million. Where did the money come from?

The ROK has provided aid worth \$7 billion to North Korea over the past 10 years; \$2.9 billion in cash. Thus, we can safely say that the ROK's role is as important as China's. China is angry at North Korea for causing mischief and destabilizing the region.

Essentially North Korea's dangerous behavior is interfering with China's vital issues.

For instance, China has been forced to sit and watch as five Aegis destroyers from the ROK, the U.S. and Japan sailed in the East Sea in April on the day when North Korea launched a Taepodong-2 missile.

The Aegis destroyers conducted anti-missile drills that could be used to protect against China's missile capability as well.

Because of North Korea's missile launches, the ROK, the U.S. and Japan have advanced their capacity to defend missiles, and as a result, China's nuclear deterrent has weakened.

North Korea's nuclear tests have also spurred discussions on nuclear armament in the ROK and Japan.

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Nevertheless, China is still hesitating to take decisive action. It does not want North Korea to have a nuclear arsenal but at the same time it doesn't want North Korea's regime to collapse, either.

China is worried that tighter sanctions against North Korea will bring about the end of the North Korean regime. What's better for China? A nuclear state on its border or a reunified democratic Korean Peninsula under the influence of the U.S.?

Another scenario would be for the U.S. to accept North Korea's nuclear capability as it did with India and Pakistan.

China responded sternly in 2006 when North Korea conducted its first nuclear test. For the first time in history, China approved a UN resolution against North Korea.

The statement by China's foreign ministry was much stronger three years ago. But after a little while, Washington approached Pyongyang, provided economic incentives and produced the Feb. 13 agreement without using the words "nuclear weapons."

China must have calculated that its influence on North Korea has weakened.

There are two ways to induce China to participate in the sanctions on North Korea. First, the Obama Administration must show its determination to get North Korea to abandon its nuclear ambitions. If the U.S. does not act, China is only a passive observer.

Furthermore, it is important to calm China's worries over the future of the Korean Peninsula. That is a task for the ROK. Open and intimate dialogue with China is imperative right now.

(This is a translation provided by the newspaper, and it is identical to the Korean version.)

ROK, U.S. PRESIDENTS SHOULD WORK OUT NEW FRAMEWORK TO ADDRESS KOREAN PENINSULA ISSUES
(Hankook Ilbo, June 16, 2009, Page 35)

President Lee Myung-bak will hold a summit with U.S. President Barack Obama in Washington today. The summit carries special significance since the Korean Peninsula is (now) in the worst situation ever due to North Korea's second nuclear test, uranium

enrichment program and long-distance missile threats.

The top priority (for the upcoming summit) must be to come up with a joint response to the North Korean issue. The two leaders should devise a new framework to deter North Korea's provocations and threats and to resolve the North Korean issue peacefully. The international community including the ROK and the U.S. needs to take resolute and united action against North Korea's transgressions. In fact, this (need to strong action) has led to the UN Security Council's strong resolution, which was adopted unanimously last week.

However, it is also evident that sanctions and pressures alone will not be able to settle the problems concerning North Korea. A repetition of the vicious cycle in which sanctions and pressures prompt strong backlash from North Korea will not ensure peaceful resolution of the crisis on the Korean Peninsula. Therefore, the international community should take strong measures against North Korea's misdeeds while at the same time inducing the North to move in a positive direction. President Lee should propose a framework and vision (for action) from this perspective and draw support from President Obama.

It is a major premise that we, as the most important party in the Korean Peninsula issue, should play a leading role. However, the Lee Myung-bak Administration has insisted on adhering to a rigid policy on North Korea and lost the leverage (which South Korea had in dealing with the issues concerning) North Korea, thereby failing

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to take the lead. Before his departure for the U.S., President Lee raised the need to hold five-party talks (to include the Six Party Talks participants with the exception of North Korea) , apparently in an effort to restore the ROK's leading role (in dealing with North Korea.) This is a desirable move. If the five-party talks to pressure North Korea are to be successful, China's participation is indispensable. Regrettably, however, it seems that President Lee did not coordinate this matter with China in advance.

A stronger U.S. and ROK alliance is not enough to resolve the Korean Peninsula issues peacefully. The ROK should take the interests of regional partners into account. President Lee should bear this in mind prior to today's summit.

STANTON